

## REMARKS

Claims 1-32 are currently pending in the application. Claims 1-20 were originally presented and have not been amended. Claims 21-32 are newly added claims. Claims 1, 14, 21, and 27 are independent claims and claims 2-13, 15-20, 22-26, and 28-32, respectively, depend from the independent claims. The Applicants request reconsideration of the original claims and consideration of the newly added claims in light of the following remarks.

Regarding Applicants' informal drawings, Applicants submit that formal drawings will be filed upon receipt of a notice of allowance in the instant application.

The abstract was objected to for failing to comply with 37 C.F.R. § 1.72(b). Applicants respectfully traverse the objection, however in order to expedite prosecution in the application have submitted an amended substitute abstract on a separate sheet in the instant response. Applicants believe that the abstract complies with 37 C.F.R. § 1.72(b) and requests that the objection to the abstract be withdrawn.

Claims 1-20 were rejected under 35 U.S.C. § 103(a) as being unpatentable over a proposed combination Katz US Patent 6,066,513 (Katz) and Palmer US Patent 6,505,773 (Palmer). The Applicants respectfully traverse the rejections as follows.

After careful review of the rejections in the instant Office Action, Applicants submit that the rejections lack specificity, that is the Office Action fails to particularly indicate where in the cited references that a suggested teaching can be found. Applicants submit that merely suggesting a teaching exists in all 67 lines in a particular column, within a figure, or within the four corners of a cited reference is inadequate to provide sufficient indication of where exactly

the Examiner believes a particular teaching lies. This lack of specificity in making rejections results in making the Applicants' task of responding to the rejections very difficult.

Therefore, because the rejections in the instant Office Action lack specificity, the Applicants request that the next Office Action be made non-final and any rejections being made therein be more specific in order that the Applicants may be provided with at least a fair opportunity to respond to the rejections.

According to the Office Action, the whole document of Katz discloses all of the features set forth in Applicants' independent claim 1 except "responding, by the second system, to the online purchase request by collecting from the buyer a purchase amount corresponding to the sales price amount less the coupon amount for the item; and electronically communicating, by the second system to the first system, an indication regarding the collection from the buyer of the purchase amount." Applicants respectfully disagree.

Katz is utterly different from the Applicants' claimed invention. For example, Katz discloses a method for effecting an upsell with respect to a primary transaction during a telemarketing event (abstract lines 20-24). The offer of the upsell is generated during the course of the communication initiated with the primary transaction (abstract lines 24-26). Upsell is the offering of an item which differs materially from the product or service which the contact was originally made, i.e. the primary transaction (col. 1, lines 13-16).

The system of Katz discloses primary transaction data and a second data element obtained from a remote database (col. 8, lines 63-67). The database or databases are accessed to collect and assemble input information for the system to determine the upsell product selection

(col. 9, lines 2-5). Katz defines an upsell as an offer of a good or service to a customer which differs from the good or service for which the primary contact was made (col. 13, lines 38-41).

In the Katz method, a system user contacts the system for the purpose of a primary transaction (col. 13, lines 52-53). The primary transaction may be a contact for a sale, a service, a repair, etc. (col. 13, lines 64-66). Multiple databases may be accessed in real time to provide information about the system user and to identify one or more upsell items for offering to the potential customer (col. 14, lines 12, 27-30, 35, and 48-50). Upon generating potential upsell information, the information is provided to the telemarketing system (col. 18, lines 27-29). The final aspect of the primary transaction is the completion or consummation of the primary transaction (col. 22, lines 31-32).

Katz only mention of a coupon occurs at col. 27, lines 16-21, where Katz discloses that optionally an electronic coupon may be provided to the user in a real time manner *for later use* (emphasis added). The coupon may be for a discount on *a later purchase*, or may be a form of incentive to the customer, such as the award of credits which may be accumulated for exchange for *other* goods or services (emphasis added).

In contrast to the disclosure of Katz, Applicants at least set forth in independent claim 1 a method of processing a coupon of a first party. The first party having a first system. The method may also at least comprise offering, by a second system of a second party, an item online for sale at a sales price amount. The method may also at least comprise associating the coupon of the first party with the item offered by the second party. The method may also comprise receiving, by the second system, an online purchase request from a buyer for the item being offered online.

Katz is at least different from the invention set forth in Applicants' claim 1 because Katz discloses an upsell method whereas the Applicants set forth a method for processing a coupon.

Katz is also different from Applicants' invention of claim 1 because Katz merely discloses offering a coupon for use at a later time for an item different from the item corresponding to the primary transaction, whereas the Applicants set forth associating a coupon with an item being offered for sale online.

Katz is also different from the Applicants' invention of claim 1 because Katz discloses issuance of a coupon as an enticement to buy a different product after a consummated purchase of a first item, whereas the Applicants set forth processing a coupon associated with the item being offered for sale online.

Katz is also different from the Applicants' invention of claim 1 because Katz discloses a selling system accessing at least one database containing customer information for identifying potential upsell items for offering to the customer, whereas the Applicants set forth a coupon associated with a first party having a first system and an item for sale associated with a second system and the coupon from the first party being associated with the item from the second system for an online purchase.

Katz is also different from the Applicants' invention of claim 1 because Katz discloses merely a selling system and a customer information database, whereas the Applicants set forth a coupon of a first party having a first system and an item selling second system wherein an online purchase request from a buyer for the item being offered online is received by the second system, and the coupon issued by the first party is associated with the item offered by the second system.

For at least the reasons set forth above, Katz fails to disclose all the features set forth in Applicants' independent claim 1. Applicants assert that claim 1 is allowable over the cited reference.

Palmer fails to remedy the deficiencies of Katz. Palmer discloses a method and system for issuing and redeeming coupons, wherein customers must request coupons (Fig. 3, reference numeral 310), are made to view an advertisement (Fig. 3, reference numeral 350), and as a reward for viewing the advertisement (Fig. 3, reference numeral 360) are issued a coupon (abstract, lines 1-4, and Fig. 3, reference numeral 360, 370, and 380).

Palmer discloses a coupon issuing station located at a manufacturer's site which generates advertising and issues coupons (col. 1, lines 51-55). When a consumer makes a request for a coupon via a consumer station, the issuing station (manufacturer) transmits an advertisement and coupons generated to the consumer station (col. 1, lines 62-65). The coupons are stored on a smart card at the consumer station (col. 1, lines 55-60). Palmer discloses that advertisers are assured that a potential customer actually perceives the advertisement for a product before receiving any discount coupons (col. 2, lines 7-10).

Palmer also discloses a redemption station for redeeming coupons at a purchasing site (merchant, i.e., a store), (col. 2, lines 13-16). At the purchasing site (merchant), the consumer inserts the smart card having electronic coupons stored thereon into a reader, wherein the redemption station reads the coupons from the smart card and matches an item desired to be purchased with the electronic coupon (col. 2, lines 15-22).

Palmer discloses a database of coupons stored in an issuing station (manufacturer), wherein the database includes coupons that have been issued, coupons that have already been

redeemed, coupons which have expired, etc. (col. 2, lines 39-43). Palmer also discloses that the redemption station at the purchasing site (merchant) may communicate with the coupon issuing station at the manufacturer's site to provide reimbursement of the coupon from the manufacturer to the merchant (col. 2, lines 47-50). The manufacturer reimburses the merchant for valid coupons (col. 2, lines 54-55).

Palmer is different from the Applicants' invention of claim 1 because, for example, Palmer merely discloses issuance of an electronic coupon (upon viewing an advertisement) onto a smart card. The smart card containing the electronic coupon must then be *physically taken* (emphasis added) to a store for redemption. In contrast, the Applicants set forth in claim 1, associating a coupon with an item being purchased online wherein the coupon may immediately be redeemed during an online purchase. Therefore, Palmer is different from the Applicants' claim 1, for example, because Palmer does not teach an online purchase, but instead teaches a physical purchase. Palmer teaches coupons being stored on smart cards which must be *physically taken* (emphasis added) to a purchasing site and electronically redeemed there.

Palmer is also different from the Applicants' invention of claim 1 because Palmer discloses physical redemption of a coupon at a purchasing (merchant) site whereas the Applicants set forth associating a coupon processed from a first system with an item offered from a second system, and redeeming the coupon during an online purchase event.

Palmer is also different from the Applicants' invention of claim 1 because Palmer discloses redeeming a coupon at a purchasing site (merchant) whereas the Applicants set forth redeeming a coupon during an online purchase of an item being offered for sale online by the system offering the item for sale.

For at least the reasons set forth above, Palmer fails to disclose all the features set forth in Applicants' independent claim 1. Applicants assert that claim 1 is allowable over the cited reference.

The Office Action proposed combining the teachings of Katz and Palmer in an attempt to arrive at the Applicants' claimed invention. Applicants respectfully assert that Katz, even if combined with Palmer, fails to disclose the Applicants' claimed invention.

First, Applicants respectfully assert that Palmer and Katz are not properly combinable because the two references are so different from one another in scope. Katz as recited above, discloses a method determining an upsell product to offer to a customer along with or after a primary purchase has been made whereas Palmer discloses a coupon issuing and redemption system receiving requests for coupons from consumers. On their face, Applicants assert that the two references not combinable.

Moreover, the Office Action has failed to provide any sound motivation taught in either of the references suggesting that a combination would be possible, much less desirable. The Office Action first suggests that it would have been obvious to combine the teachings of Katz and Palmer to ensure that only the valid coupons matching the list in the database may be actually redeemed and to electronically reimburse the merchants. Applicants assert that the proposed motivation argument is not directed toward the Applicants' claimed invention. Additionally, Applicants respectfully disagree that combining the teachings of Katz and Palmer would effect the proposed solution that the Office Action has suggested because Katz is directed toward upselling items and Palmer is directed toward rewarding a customer for watching an

advertisement by issuing a coupon (that must be physically taken to a purchasing site for redemption).

The Office Action also suggested that it would be obvious to combine the teachings of Katz and Palmer for effecting remote commerce, and being particularly adapted for the intelligent selection and proffer of products, services or information to a user or customer. Applicants assert that this proposed motivation argument is also not directed toward the Applicants' claimed invention. Additionally, Applicants respectfully disagree that combining the teachings of Katz and Palmer would effect the proposed solution that the Office Action has suggested because Katz is directed toward upselling items and Palmer is directed toward rewarding a customer for watching an advertisement by issuing a coupon (that must be physically taken to a purchasing site for redemption).

Additionally, as recited above, Katz discloses upsell techniques using a database of customer information, not a database of coupons. It would not be at all obvious to change the database of customer information taught by Katz into a database of coupons taught by Palmer as suggested in the Office Action because Katz requires customer information to suggest upsell products. Substituting a database of coupons for the database of customer information in Katz, as proposed by the Office Action, would destroy the ability of Katz to perform the function of offering upsell items to customers.

Katz, even if combined with Palmer, is different from the Applicants' claimed invention of claim 1. The proposed combination of Katz and Palmer fail to disclose, for example, associating a coupon with an item being purchased online, wherein the coupon may be redeemed during the online purchase, as set forth more completely above.

Additionally, the proposed combination of Katz and Palmer also fail to at least disclose the following of claim 1: an online purchase; coupon of a first party having a first system and a second system offering an item for sale online; associating a coupon from a first party having a first system with an item offered from a second system for an online purchase event; and receiving an online purchase request from a buyer for an item being offered for sale online by the second system (the system offering the item for sale), as set forth more completely above.

For at least the reasons set forth above, the proposed combination of Katz and Palmer fails to disclose all the features set forth in Applicants' independent claim 1. Applicants assert that claim 1 is allowable over the proposed combination of references. The Applicants respectfully request that rejection of claim 1 be withdrawn.

Independent claims 14, 21, and 27 disclose similar, but not identical, limitations as those set forth in independent claim 1. Applicants assert that the proposed combination of Katz and Palmer also fail to disclose all the features set forth in independent claims 14, 21, and 27, thus claims 14, 21, and 27 are also allowable over the proposed combination of references. Applicants respectfully request that rejection of claim 14 be withdrawn and the application be passed to issue.

Because dependent claims 2-13, 15-20, 22-26, and 28-32, depend from independent claims 1, 14, 21, and 27, respectively, Applicants assert that the dependent claims are also allowable over the proposed combination of references. Applicants respectfully request that rejection of claims 2-13 and 15-20 be withdrawn and the application be passed to issue.

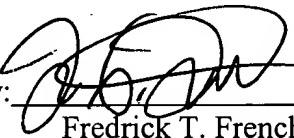
On pages 8 and 12 of the Office Action, Official Notice was taken that the features set forth in claims 4-13 and 15-20 were well-known and expected in the art at the time the invention was

made. The Applicants respectfully disagree. The Applicants respectfully request that a reference(s) be submitted and a formal rejection be made regarding the features disclosed in Applicants' dependent claims 4-13 and 15-20, otherwise Applicants request that the Officially Noticed rejection be withdrawn.

Applicants believe that all claims 1-32 are in condition for allowance. Should the Examiner disagree or have any questions regarding this submission, Applicants invite the Examiner to telephone the undersigned at (312) 775-8000.

A Notice of Allowability is courteously solicited.

Respectfully submitted,

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